

MINUTES OF THE MEETING OF THE
LEGISLATIVE COMMITTEE OF THE
BOARD OF TRUSTEES OF THE
EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF HAWAII

AUGUST 26, 2025

CITY FINANCIAL TOWER
201 MERCHANT STREET, SUITE 1200
HONOLULU, HAWAII 96813

Trustees present:
(by teleconference) Dr. Genevieve Ley, Chair
Mr. Bennett Yap, Vice Chair
Mr. David Louie
Mr. Lance Mizumoto

Staff present:
(City Financial Tower
by teleconference) Mr. Thomas Williams, Executive Director
Ms. Gail Strohl, Deputy Executive Director
Ms. Kristin Varela, Chief Investment Officer
Mr. Anthony Goo, Deputy Chief Investment Officer
Mr. Kona Mann, Chief Compliance Officer
Mr. James Greubel, Program Specialist
Ms. Shanna Sakagawa, Program Specialist
Ms. Dale Kehau Kanae, Recording Secretary/Administrative Assistant
Ms. Lori Kim, Administrative Assistant
Ms. Andrea Gasper, Administrative Assistant

Attorney present:
(by teleconference) Ms. Jenny Nakamoto, Deputy Attorney General
Ms. Lori Tanigawa, Deputy Attorney General
Ms. Nietzsche Tolan, Deputy Attorney General
Ms. Diane Wong, Deputy Attorney General

QUORUM/CALL TO ORDER

A quorum being present (Chair Ley, Vice Chair Yap, and Trustees Louie and Mizumoto), Chair Ley called the meeting of the Legislative Committee (Committee) of the Board of Trustees (Board) of the Employees' Retirement System of the State of Hawaii (ERS) to order at 1:00 p.m. and requested each Trustee identify themselves and confirm that they are the only ones present at their remote location while attending the meeting. Each of the Trustees present confirmed same. Chair Ley reminded the Committee to please be sure that they are visible on their video cameras and that they remain on while the meeting is in session.

PUBLIC COMMENT

Chair Ley called for public comment. There was no public attending in person or by teleconference, therefore, there was no public comment. There was also no written public testimony received for this Committee meeting.

DISCUSS POTENTIAL
EMPLOYEES' RETIREMENT
SYSTEM (ERS) LEGISLATIVE
PROPOSALS FOR THE 2026
LEGISLATIVE SESSION FOR
RECOMMENDATION TO THE
BOARD OF TRUSTEES

Program Specialist (PS) James Greubel discussed and explained to the Committee, that due to budgetary concerns by the Governor, each State Department was limited to submitting 10 proposals as a part of the Governor's Legislative Package. The Department of Budget & Finance (B&F) has allowed the ERS to submit only one proposal and any others would need to be submitted to the Legislature by other means.

PROPOSED EMPLOYER
CONTRIBUTION RATE

PS Greubel presented an oral and written report to the Committee on the Proposed Employer Contribution Rate Increase for the Police Officer's,

INCREASE FOR THE POLICE OFFICER'S, FIREFIGHTER'S, AND CORRECTIONS OFFICER'S GROUP OF THE ERS TO ADDRESS EXCEEDING THE MAXIMUM FUNDING PERIOD AS PRELIMINARILY PROJECTED IN THE ACTUARIAL VALUATION REPORT BY GABRIEL ROEDER SMITH & COMPANY FOR THE YEAR ENDING JUNE 30, 2025

Firefighter's, and Corrections Officer's Group of the ERS to Address Exceeding the Maximum Funding Period as Preliminarily Projected in the Actuarial Valuation Report by Gabriel Roeder Smith & Company for June 30, 2025. ERS staff recommended the Committee's acceptance and that it be presented to the Board for approval.

Chair Ley shared with the Committee that this proposed employer contribution rate increase was included as a part of the Three-Year Actuarial Experience Study Including Preliminary Impact on the 2025 Annual Actuarial Valuation Report by Gabriel Roeder Smith & Company for the Year Ending June 30, 2025, that was presented and accepted by the Administrative & Audit Committee at their meeting of August 21, 2025, and is to be presented for approval by the Board at the next meeting.

The Committee requested ERS staff provide more robust dollar and ratio figures relating to the unfunded liability be included with the proposal when presenting it for approval by the Board at the next meeting.

On a motion made by Trustee Louie, seconded by Vice Chair Yap, and unanimously carried, the Committee accepted the Proposed Employer Contribution Rate Increase for the Police Officer's, Firefighter's, and Corrections Officer's Group of the ERS to Address Exceeding the Maximum Funding Period as Preliminarily Projected in the Actuarial Valuation Report by Gabriel Roeder Smith & Company for the Year Ending June 30, 2025, as presented and recommended it be presented to the Board for approval at the next Board meeting.

PROPOSED EXEMPTION OF THE ERS DEPUTY EXECUTIVE DIRECTOR AND ERS CHIEF COMPLIANCE OFFICER POSITIONS FROM CIVIL SERVICE UNDER CHAPTER 76, HAWAII REVISED STATUTES

PS Greubel presented an oral report to the Committee on the Proposed Exemption of the ERS Deputy Executive Director and ERS Chief Compliance Officer Positions from Civil Service Under Chapter 76, Hawaii Revised Statutes.

On a motion made by Trustee Mizumoto, seconded by Trustee Louie, and unanimously carried, the Committee accepted the Proposed Exemption of the ERS Deputy Executive Director and ERS Chief Compliance Officer Positions from Civil Service Under Chapter 76, Hawaii Revised Statutes, as presented and recommended it be present to the Board for approval at the next Board meeting.

PS Greubel requested, due to only one proposal being able to be submitted to B&F, that the Committee prioritize the proposals presented. The Committee suggested ERS staff submit both proposals to B&F and if one of the proposals does not get included in the package ERS submit it to the Legislature by another means.

On a motion made by Trustee Mizumoto, seconded by Vice Chair Yap, and unanimously carried, the Committee accepted both proposals for submittal to B&F to be included in the Governor's package for the 2026 Legislative session, and recommended it be presented for approval by the Board at the next Board meeting.

IDENTIFY AND DISCUSS POTENTIAL LEGISLATIVE PROPOSALS DETERMINED TO BE NECESSARY OR DESIRABLE FOR THE SYSTEM'S INVESTMENTS, ADMINISTRATION, AND/OR OPERATIONS

Chair Ley presented to the Committee a request to Identify and Discuss Future Legislative Proposals Determined to be Necessary or Desirable for the System's Investments, Administration, and/or Operations. The Committee had no suggested Potential Legislative Proposals for Future Legislation Relating to the Employees' Retirement System for the next Legislative session. Chair Ley suggested the Committee contemplate future proposals that could be shared for discussion at a later time.

APPROVAL OF MINUTES
- APRIL 30, 2025

On a motion made by Vice Chair Yap, seconded by Trustee Mizumoto, and unanimously carried, the Committee approved the Minutes of the April 30, 2025, meeting as presented.

ADJOURNMENT

On a motion made by Trustee Louie, seconded by Trustee Mizumoto, and unanimously carried, Chair Ley adjourned the meeting at 1:58 p.m.

REDACTED SIGNATURE

Thomas Williams
Executive Director
TW:dkik